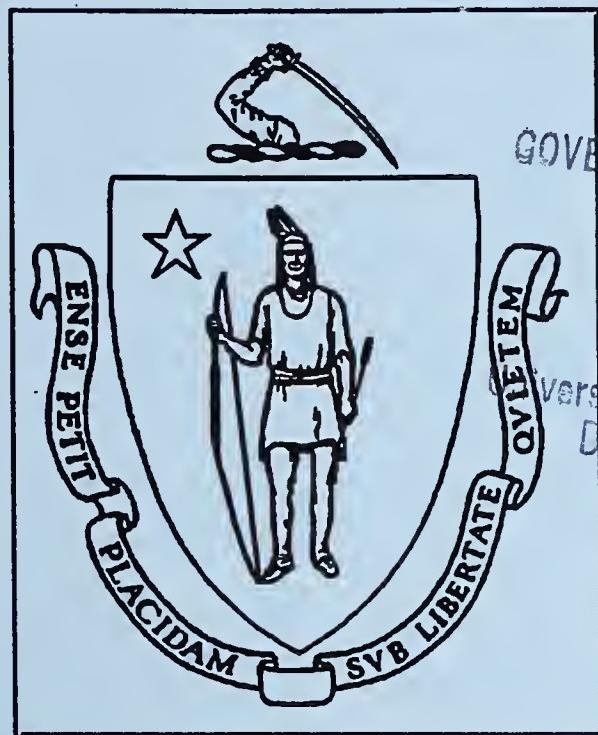




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# Scott Harshbarger Attorney General Commonwealth of Massachusetts



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## Attorney General's Report on Telemarketing for Charity

November 1997

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Office of the Attorney General  
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Boston, MA 02108-1698*

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November 1997

**ATTORNEY GENERAL'S REPORT  
ON TELEMARKETING FOR CHARITY**

When donors receive requests for charitable contributions, they want to know what will happen to their charitable gifts. They want to make sure that their donations are actually used for the charitable purposes that they intended. This report is designed to help Massachusetts citizens ask the right questions so that they can make informed decisions about charitable giving.

Many charities are hiring professional solicitors -- telemarketing businesses who appeal for donations on behalf of the charity -- to assist them in raising money. In 1996, 313 charitable telemarketing campaigns by 73 telemarketers were registered in Massachusetts.

This report explains how charitable fundraising works, including the role that professional solicitors play. The report consists of five parts: (A) Charities and Fundraising; (B) Fundraising Methods and Professional Fundraisers; (C) Tips for Informed Giving; (D) Sources of Information; and (E) Financial Results of 1996 Telemarketing Campaigns.

An Appendix to the report compiles the financial results of individual telemarketing campaigns conducted by professional solicitors. The Appendix reports the results by solicitor; a list reporting the results by charity is available from the Division upon request.

As set forth in more detail in Part E and the Appendix of this report, the telemarketing campaigns conducted by professional solicitors in Massachusetts in 1996 yielded the



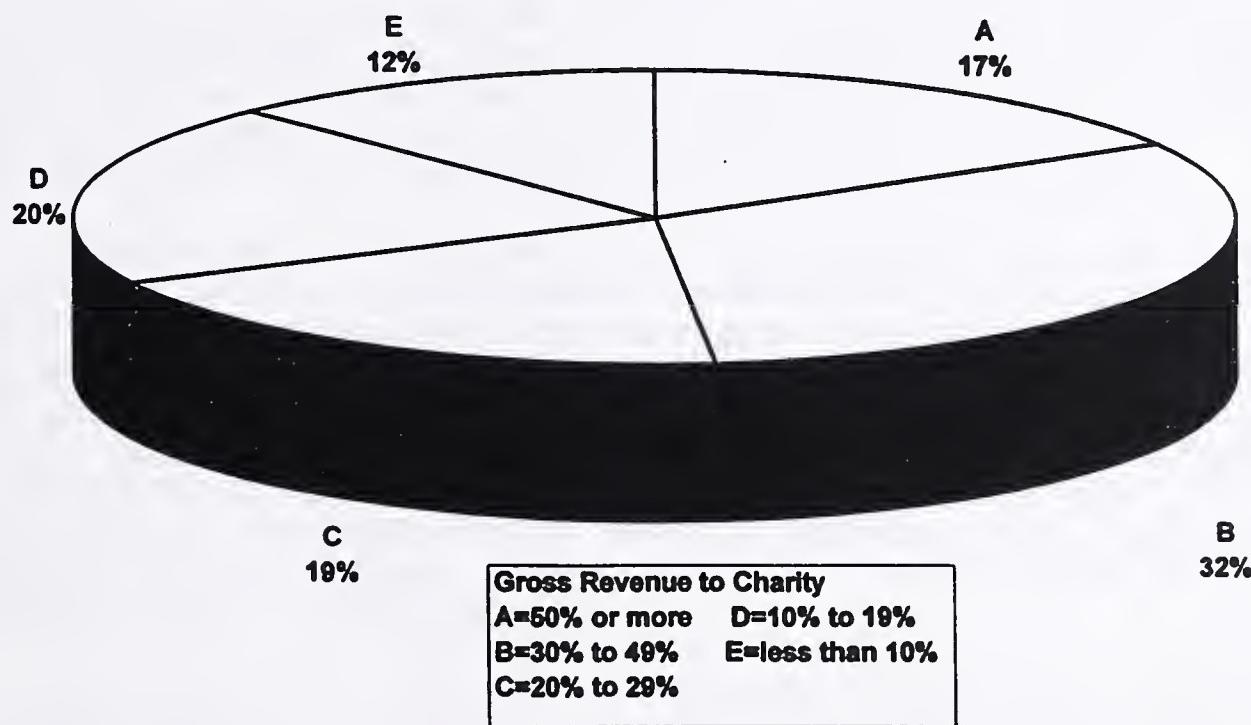


following financial results:

- a) Of the total dollars raised in all campaigns, 35% went to charity, after the expense of fundraising was deducted. The percentage that the organizations received averaged 27% on a per campaign basis;
- b) Of the 265 campaigns reported, 17% of the charities received 50% or more of the campaign's gross revenue;
- c) 32% of the charities received between 30 and 49% of the campaign's gross revenue;
- d) 19% of the charities received between 20 and 29% of the campaign's gross revenue;
- e) 20% of the charities received between 10 and 19% of the campaign's gross revenue;
- f) 12% of the charities received less than 10% of the campaign's gross revenue.

[See graph below]

**Telemarketing for Charity:  
Campaigns By Revenue to Charity**



A very faint, light gray watermark-like image of a classical building with four prominent columns and a triangular pediment occupies the background of the entire page.

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#### A. Charities and Fundraising

We all have a stake in ensuring the successful future of charitable organizations. Charitable nonprofit organizations provide many diverse services to the public, ranging from feeding and housing individuals and families in need, to uplifting our spirits through the arts. Often, these services would not otherwise be available.

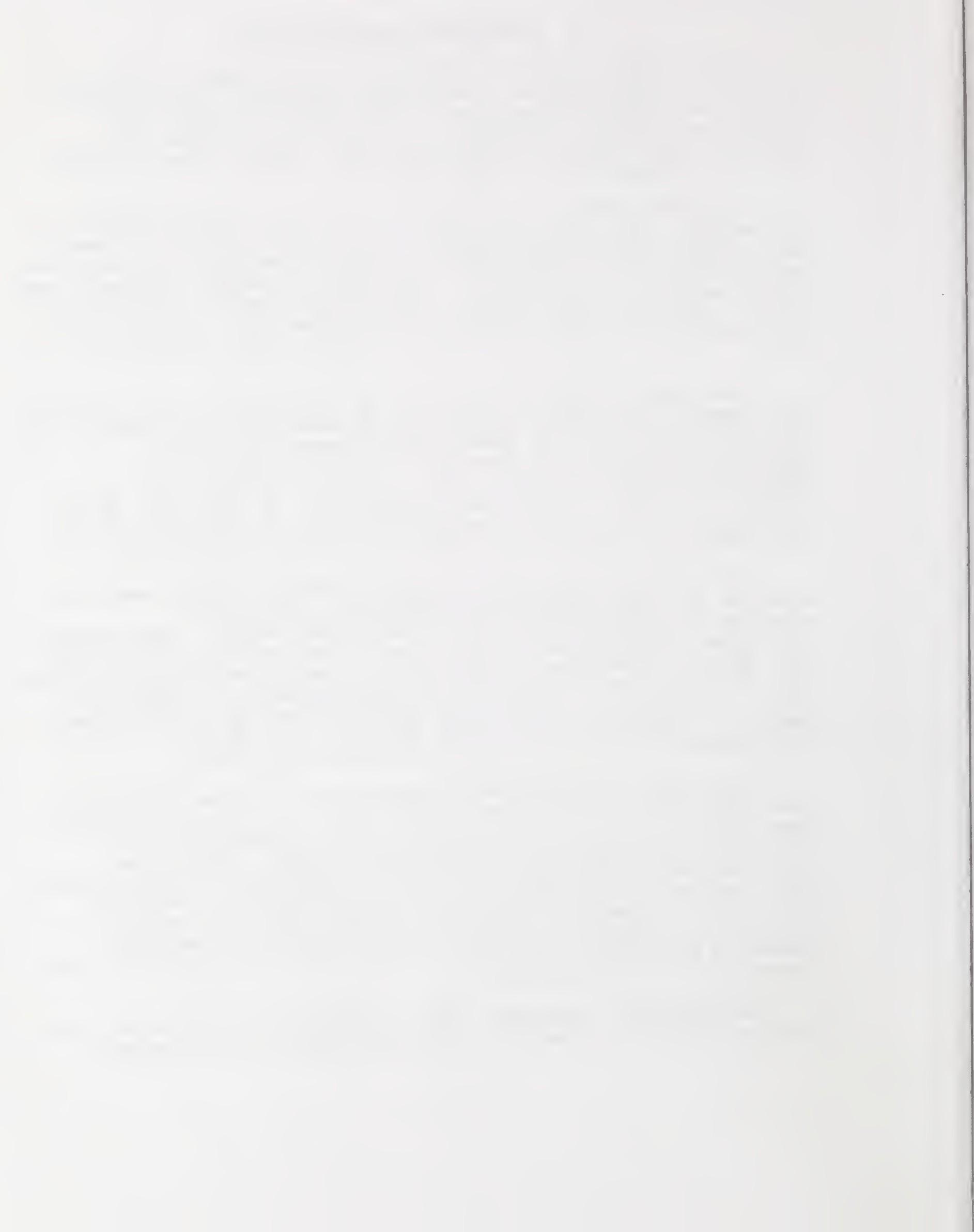
Charities affect the lives of all of us, either directly or indirectly. Virtually everyone, at some time in their lives, has directly benefitted from the services provided by charitable institutions such as nonprofit hospitals, colleges, museums, and social service organizations. In addition, we all indirectly benefit from the many research foundations whose collective goal is to advance medical technology or improve the quality of life.

Charitable giving, especially by individuals, is often the only support charitable organizations receive. According to the American Association of Fundraising Counsel Trust for Philanthropy, Americans gave \$150.7 billion dollars to charitable organizations in 1996. Of that amount, \$119.92 billion, or 79.6%, came from individuals; in addition, \$11.83 billion or 7.8% came from foundations, \$10.46 billion or 6.9% from bequests, and \$8.5 billion or 5.6% from corporations.

In tough economic times, when government cannot meet the needs of all who require its assistance, charitable organizations depend heavily on individual donors. Many people understand these needs of charities. They believe, correctly, that making a donation is one way to provide assistance to those less fortunate or to promote the advancement of an important cause. In addition, charitable giving allows us to establish a sense of community--the feeling that we, as individuals, have contributed to the betterment of society as a whole.

Charities use fundraising not only as a means of raising funds, but also to gain name recognition, to educate the public about their causes and the services they provide, and to increase their membership and volunteer base. While some charities use volunteers or paid staff members to conduct their solicitations, other charities find the use of professional solicitors--independent entities which conduct the actual fundraising campaign for a fee or percentage of the money raised--a more effective way to raise funds while getting their messages out to the public.

In addition, charities, especially smaller charities, may not have their own staff or volunteer resources for raising



funds. Employing the use of a professional solicitor, and paying the solicitor out of the funds that are donated in response to the solicitor's work, is viewed by some charities as the only realistic way of disseminating information about their causes and raising funds necessary to carry out their purposes.

## B. Fundraising Methods and Professional Fundraisers

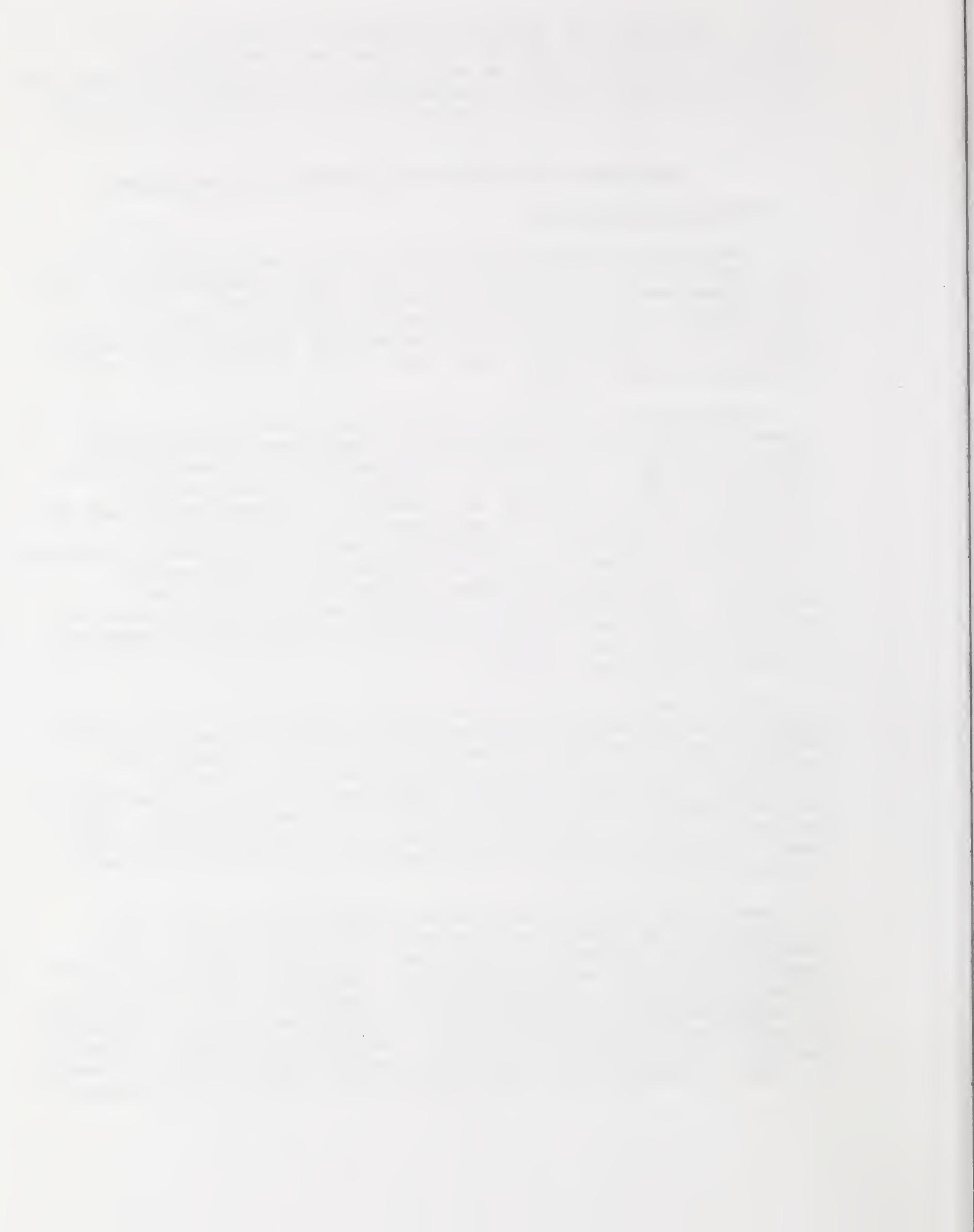
### i) Fundraising Methods

There are a number of different fundraising methods used by both professional solicitors and charitable organizations. The most common methods are telemarketing, direct mail, entertainment events, door-to-door solicitation, raffles, Las Vegas nights, sweepstakes, and collection canisters (or "honor boxes"). The following paragraphs briefly describe how each fundraising method works.

Telemarketing involves telephoning members of the public to request a charitable contribution. Sometimes telemarketers offer a product to the donor in exchange for a donation as an incentive to give. This often reduces the amount of the donation which the charity will receive. Telemarketers may be volunteers, or they may be employees of the charity or professional solicitor. Individuals who agree to make donations are generally asked to mail in a donation, although some charities and fundraisers send couriers to pick up the donations. As with any type of fundraising, donors should ask questions about the organization and the fundraising campaign. A list of questions to help in making an informed decision is provided in the next section.

Direct mailing is another popular method of raising funds. Again, mailings may be prepared by the charity itself or by a professional consultant hired by the charity. Donors are generally asked to mail their donations to the charity. In this situation, the donor has fewer opportunities to ask questions, but may have more information in the written materials. Donors who would like to find out more about the charity before they make a contribution should not hesitate to contact the charity and ask questions.

Many charities sponsor entertainment events, such as circuses or ice shows, as a method of raising funds. Often charities sell tickets to the shows, but they may also use the events to ask for regular donations, separate from the ticket sales. Obviously, in either case, a portion of the ticket price or donation will be used to pay for the production of the event, in addition to fundraising costs. Before purchasing a ticket or making a contribution, the donor should find out what percentage is used to produce the event and pay any fundraising expenses,



and what percentage will be retained by the charity.

Similarly, some solicitations involve the sale of products or the publication of an advertising book. Here, also, a portion of the donation covers the cost of the product or advertising book.

Other methods of raising funds include door-to-door solicitations, raffles, and Las Vegas nights. Many cities and towns require door-to-door solicitors to be registered with the local police, and donors should check with their police department to make sure that charities and their solicitors have registered where required. Organizations which hold raffles or Las Vegas nights must first have a permit from the city or town in which the event is to be held.

Canisters, honor boxes and vending machines are most frequently seen in local variety stores, restaurants, or grocery stores. Canisters usually bear a label which names the beneficiary and asks you to give to their cause. Honor boxes and vending machines, while similar to canisters, also offer a small candy item, such as a gum ball or lollipop, in exchange for a donation.

Many people erroneously assume that the canisters, boxes and vending machines are placed by the charities themselves, and that the money received belongs to the charities. Actually, these containers are generally manufactured by a for-profit enterprise unconnected with a charity, and sold to individuals who place and maintain them. Often, most of the money is kept by the person who owns the container, with the charity receiving only a small monthly amount, typically between fifty cents and two dollars per container. While the amount of money a person may place in a canister or honor box may be small, the overall amount of money raised is significant, totalling millions of dollars in some instances.

### ii) Professional Fundraisers

There are three types of professional fundraisers defined by Massachusetts law: fundraising counsel, professional solicitors, and commercial co-venturers.

- \* Fundraising counsel advise charities on how to raise funds, but do not conduct any of the actual fundraising.
- \* Professional solicitors devise a fundraising campaign, and then conduct the actual solicitation.
- \* Commercial co-venturers are for-profit businesses



who join with the charity in sponsoring an event or in promoting the sale of a product, with the proceeds from the event or sale divided between the charity and the businesses.

Professional solicitors are for-profit businesses which specialize in raising funds. They make money by either charging a fee for service or by keeping a percentage of the donations. The use of a professional solicitor does not necessarily indicate that too much money is being spent on fundraising, as many larger charities hire permanent employees to conduct their fundraising. Thus, charities who do not hire professional solicitors may have costs similar to those that do.

Many people may be surprised to learn the percentage of their donation which is kept by the professional solicitor. While the charity is very aware of the percentage being charged by the professional solicitor because it signed a contract, donors may not be so well informed and may believe that a high percentage of their donations is going to the charitable purpose which led them to donate. If a high percentage of their contributions go to the fundraiser, the donors' expectations are, unfortunately, left unfulfilled.

Why would a charitable organization use a professional solicitor? Some do so because this arrangement involves little or no burden for the charity. Also, professional fundraisers often provide more than fundraising services to the charity. The solicitation may also be used as a means of educating the public about the charitable cause, gaining name recognition for the charity, and obtaining new donors. Less well known charities do not have the extensive previous donor lists that larger charities have. Since people are more likely to give to a group they know well, less well known charities have to contact more people in order to gross the same amount that a larger charity could accomplish with fewer costs.

Finally, raising money costs money. The percentage of money raised which is kept by the solicitor often covers most expenses associated with the campaign--phone bills, printing, mailing, salaries, office rental, and so on. For organizations who have little capital, this feature can be attractive even if it means that they will get only a small share of the total money raised.

At the same time, it is important to keep in mind that for some charities who use a professional solicitor, the solicitor's campaign may only be a part of the charity's overall fundraising income for the year, and a low financial return for the individual campaign might not necessarily be representative of the charity's overall fundraising performance for the year.



Also, if the solicitation involves the sale of a product, or the production of an event or advertising book, the cost of the product, event ticket, or advertising book is included in the percentage going to the professional solicitor. Of course, the donor individually receives the item in addition to the charitable effect of his or her contribution.

iii) Applicable Law

People often ask the Division of Public Charities why there is no law which limits the amount kept by the fundraiser. Although there used to be such a law, the Commonwealth can no longer set limits on the amount of contributions retained by fundraisers because, in 1988, the United States Supreme Court ruled, in Riley v. National Federation of Blind, that states cannot prescribe the percentage of funds that a charity may spend on its fundraising. The Supreme Court reasoned that fundraising often involves education, awareness programs, and similar activities, making it difficult to separate the educational costs from the fundraising costs.

The Supreme Court held that imposing a state limit on the costs of fundraising would impermissibly infringe upon the ability of charities to engage in free speech, and also that the states may not require the charity or solicitor to affirmatively volunteer how much of the solicited funds will be used to pay fundraising costs. Thus, as a practical matter, a donor who wants to know how much of his or her donation will be devoted to the charitable purposes stated in the solicitation should ask questions about this during the telephone solicitation.

Massachusetts does have a law, however, which requires that professional solicitors disclose their professional fundraising status and which prohibits deception in charitable fundraising. This law is known as the Charitable Solicitation Act (chapter 68 of the General Laws), and it regulates other aspects of charitable fundraising as well. The Office of the Attorney General actively enforces this law.

The Division of Public Charities regularly receives complaints from members of the public who have been contacted by professional solicitors. If the Division of Public Charities determines that the Charitable Solicitation Act has been violated, it brings suit against the professional solicitor and the organization who retained it.

C. Tips For Informed Giving

If you want to make sure your charitable contribution is used for the purposes you intended, you should be informed -- take your time and find out as much as possible about the



solicitor and the charitable organization. The following list of questions is designed to help you make a more informed decision.

1. Who is the charitable organization which is benefitting from your donation? Write down the address and telephone number of the charity, and, if you have any doubts about the legitimacy of the charity, call the charity directly. Also, be aware that some smaller charities use names very similar to the larger, more well-known charities. Know to whom you are giving!

2. Who is the solicitor? When the solicitation is made by an individual, ask for the person's name and his or her relationship to the charity. Specifically, ask if the caller is a professional solicitor. If a professional solicitor is involved, ask for the name of the fundraising company.

3. What will the donations be used for? Inquire about the types of services provided by the charity, and the geographic area in which the charity operates. Many charities solicit nationwide, but do not necessarily provide services in your local area.

4. How much of the contribution is actually used for charitable purposes? If a professional solicitor is conducting the fundraising campaign, ask what percentage of your donation will be kept by the solicitor, and what percentage the charity will receive.

Note, however, that under the terms of an increasing number of solicitation contracts, the solicitor turns over 100% of the money raised and the charity then pays the solicitor his fee, plus an array of expenses associated with the fundraising campaign. Thus, the telephone solicitor may reply that 100% of the funds raised goes to the charity without revealing the percentage remaining for charitable purposes after the fundraising expenses have been paid.

Therefore, you should ask how much the charity will receive after all expenses have been deducted. Even if the charity does not use a professional solicitor, ask how the charity uses the funds it receives--what amount goes to services, administrative costs, and fundraising.

5. Does the caller have any written information about the charity? Written material is always helpful. Annual reports will show the donor how the organization allocates its money: how much for fundraising, how much for administration, and for program services. Brochures are not as helpful, but will at least give the donor a good idea of what types of services the organization provides.



6. Are the charity and the professional fundraiser, if there is one, registered with the Commonwealth? Call the Attorney General's Office, Division of Public Charities, to make sure that the charity and the professional fundraiser are registered and that their financial records are up to date.

Do not be afraid to ask the caller and the charity a lot of questions. Legitimate charities will welcome your questions and do their best to provide accurate answers. If you think you want to make a donation, keep the following points in mind:

1. Always make a donation by check. Do not give your credit card number unless you are very sure of the charity and the caller. Make the check directly payable to the charity, not to an individual or the fundraising organization. That way you will be sure the charity is the recipient of the donation. Also, keep accurate records of your charitable donations so that you will have an easier time determining the amount you gave if the charity asks you for a donation again next year.

2. Never allow yourself to feel pressured to make a donation. If you want some time to look into the charity before making the donation, do not allow the solicitor to pressure you to make a donation before you are ready.

3. If a solicitor leaves you with an uneasy feeling, do not hesitate to call the charity to verify what you were told, and call the Attorney General's Office or the Better Business Bureau.

Donors should take special care when solicited by a police or firefighter organization. Individuals and small businesses are frequently solicited for funds to support police and firefighter organizations. In exchange for a contribution, the donor may receive tickets to a show or an advertisement in a publication. Donors should realize that it is generally not the police or fire department who will benefit from the donation, but rather the police or firefighter organization, such as a union or other fraternal membership group. These groups usually use professional fundraisers, and donors should find out whether they are speaking with a member of the organization or its paid fundraiser. Also, the funds collected may be used for a variety of purposes. Some groups are very active in their communities, and use the funds for anti-drug programs or scholarships. Others use the funds for union purposes only, such as legal expenses incurred in union bargaining. Therefore, donors should make sure that they understand how their contribution will be used. Above all, donors should not feel threatened or intimidated by the solicitation, or pressured to make a donation.



#### D. Sources of Information

There are a variety of places to get additional information about charities and professional fundraisers. The Office of the Attorney General has more than 35,000 charities registered with its Division of Public Charities. While registration does not imply that any particular charity has the endorsement of the Attorney General or the Commonwealth of Massachusetts, it does indicate that the charity files annual financial reports with the Division.

These financial reports contain information on income and expenses, including program and fundraising expenses, and also list the types of solicitation a charity and its professional fundraiser, if any, use. The reports are available for public inspection during regular business hours at the Attorney General's Division of Public Charities, located at Room 1413, One Ashburton Place, Boston, Massachusetts, 02108. You can call the Division at (617) 727-2200 to find out if a charity is registered before coming in to look at the file. Registration information is also available at the Attorney General's Western Massachusetts office in Springfield (413-784-1240).

If you would like to receive information about a charity, but are unable to come to Boston in person to look at the organization's file, you can submit a written request for information from the file of a specific charity. Specify the information you would like in a letter to the Division of Public Charities. The cost is twenty cents per page, and the copies will be sent to you with a bill.

If you want more information about a local charity, consider calling your local Better Business Bureau as well as the Attorney General's office. In addition, your local police department may have received information or complaints about the solicitation from other individuals in your area.

If you want more information about a national charity, contact The Council of Better Business Bureaus Philanthropic Advisory Service at 4200 Wilson Boulevard, Arlington, Virginia, 22203-1804 (703-276-0100) or The National Charities Information Bureau at 19 Union Square West, 6th Floor, New York, New York, 10003 (212-929-6300).

Like charities, all professional fundraisers who have contracts with charities that solicit in Massachusetts are required to register with the Attorney General's office and must submit copies of their contracts as part of registration. Professional solicitors and commercial co-venturers are required to file, in addition, a \$10,000 bond, an addendum to registration describing their relationship with the charity, and a year-end financial accounting of the proceeds actually raised through the solicitation.



As with charities, all of the registration materials which professional fundraisers file with the Division of Public Charities are public record and are available for public inspection. To obtain information about fundraisers from the Office of the Attorney General, use the same procedures as for charities.

Likewise, brochures containing tips for informed giving are available from the Division of Public Charities and the Better Business Bureau.

#### E. Financial Results of 1996 Telemarketing Campaigns

The Division of Public Charities has compiled in the Appendix to this report the financial results of fundraising campaigns conducted in Massachusetts in 1996 in which professional solicitors were used by the charity. The information is taken from public reports filed with the Division by the professional solicitor and the charity pursuant to G.L. c. 68, sec. 24(c).

The compilation in the Appendix reports the results by solicitor. A list reporting the results by charity is available upon request from the Division.

For a discussion of the reasons why some charities hire professional solicitors and of the benefits which a charity may conclude that it will receive from using a professional solicitor, see Part B(ii), above, of this report. As indicated in that discussion, for some charities who use a professional solicitor, the solicitor's campaign may only be a part of the charity's overall fundraising income for the year, and a low financial return for the individual campaign might not necessarily be representative of the charity's overall fundraising performance for the year.

In the Appendix, the first column lists the solicitors alphabetically. The second column states the total amount of money raised during each of the charitable solicitation campaigns conducted by the solicitor. (If the financial results of a particular campaign are not yet reported by the solicitor and the charity to the Division of Public Charities, this is indicated. The Division will be taking further steps to obtain reports of the financial results of these campaigns.)

After the figures in the second column, the letters (a), (b) or (c) may appear. The letter (a) indicates that the campaign involved the purchase of an event ticket, product, or other "premium." For campaigns which solicited donations without the purchase of premiums, the charities received, on



average, 36% of the dollars raised. For campaigns involving the purchase of a premium, the charities received, on average, 24% of the gross proceeds.

If the letter (b) appears after a figure in the second column, this indicates that the solicitation was a national or multi-state campaign. If the letter (c) appears, this indicates that the report of financial results by the solicitor and charity was an interim report (i.e., the campaign continued beyond the period reported).

Column three sets forth the amount the charity received of the total amount raised, after all fundraising expenses incurred by the charity and costs of items, if any, received by the donor have been subtracted. Column four presents that amount as a percentage of the total amount raised.

In column five, the total amount raised by the solicitor is given, with column six stating the total amount that the charities in these campaigns received, after all fundraising expenses incurred by the charity and costs of items, if any, received by the donor were subtracted. Column seven presents the amount in column six as a percentage of the total amount raised.

### CONCLUSION

By using the information in this report, donors can make fully informed decisions about their charitable giving. By understanding the charitable fundraising process and making sure that they know how their donations are used, donors can achieve more beneficial impact for their charitable dollars. Informed giving by donors is an important component of an efficient and effective charitable sector that enjoys and deserves the public's trust.



## Solicitation Campaigns Calendar Year 1996

- (a) Indicates sale of product or other premium
- (b) Indicates national or multi-state campaign
- (c) Indicates Interim report

\*Information cross-referenced by charity  
available upon request

<u>Solicitor</u>	<u>total revenue from campaign</u>	\$ to <u>Charity</u>	% to <u>Charity</u>	<u>total revenue all campaigns</u>	<u>total \$ to charity all campaigns</u>	overall % to charity
<b>A &amp; L Associates</b>						
	\$55,562	a	\$19,398	35%		
	\$34,000	a	\$11,370	33%		
	\$33,856	a	\$11,849	35%		
	\$26,566	a	\$10,020	38%		
	\$26,345	a	\$9,204	35%		
	\$18,200	a	\$5,824	32%		
	\$17,195	a	\$6,192	36%		
				\$211,724	\$73,857	35%

<u>Solicitor</u>	<u>total revenue from campaign</u>	\$ to <u>Charity</u>	% to <u>Charity</u>	<u>total revenue all campaigns</u>	<u>total \$ to charity all campaigns</u>	avg. % to charity
<b>ACV Advertising</b>						
	\$193,933	\$44,605	23%			
	\$16,475	\$2,801	17%			
				\$210,408	\$47,406	23%

<u>Solicitor</u>	<u>total revenue from campaign</u>	\$ to <u>Charity</u>	% to <u>Charity</u>	<u>total revenue all campaigns</u>	<u>total \$ to charity all campaigns</u>	avg. % to charity
<b>Action Programs</b>						
	\$171,306	a	\$20,415	12%		
					\$171,306	\$20,415
						12%



<u>Solicitor</u>	<u>total revenue from campaign</u>	<u>\$ to Charity</u>	<u>% to Charity</u>	<u>total revenue all campaigns</u>	<u>total \$ to charity all campaigns</u>	<u>avg. % to charity</u>
<b>Admit One Productions</b>						
	\$85,361	a	\$40,000	47%		
	\$77,882	a	\$28,816	37%		
	\$63,418	a	\$20,928	33%		
	\$59,778	a	\$20,922	35%		
	\$52,205	a	\$18,272	35%		
	\$44,211	a	\$13,263	30%		
	\$43,864	a	\$14,036	32%		
	\$41,512	a	\$11,623	28%		
	\$40,329	a	\$8,969	22%		
	\$34,596	a	\$8,649	25%		
	\$25,007	a	\$7,002	28%		
	9 campaigns not reported					
				\$568,163	\$192,480	34%

<u>Advanced Data-Comm</u>	<u>\$3,735</u>	<u>\$1,111</u>	<u>30%</u>	<u>\$3,735</u>	<u>\$1,111</u>	<u>30%</u>

<u>All-Pro Productions</u>	<u>\$89,656</u>	<u>\$26,896</u>	<u>30%</u>	<u>\$70,668</u>	<u>\$25,767</u>	<u>36%</u>
				a	\$15,482	24%
	\$63,274	a		\$62,215	\$16,390	26%
	\$61,889			\$21,661	\$21,661	35%
	\$58,187			\$18,615	\$18,615	32%
	\$53,738			\$15,058	\$15,058	28%
	\$43,401			\$14,870	\$14,870	34%
	\$41,649			\$10,994	\$10,994	26%
	\$36,963			\$9,937	\$9,937	27%
	\$36,915			\$7,978	\$7,978	22%
	\$35,030			\$8,260	\$8,260	24%
	\$24,680			\$6,170	\$6,170	25%
	\$15,147			\$3,029	\$3,029	20%
	\$10,811			\$5,405	\$5,405	50%
	\$9,778			\$1,955	\$1,955	20%
				\$714,001	\$208,467	29%

<u>All-Pro Telemarketing</u>	<u>\$48,629</u>	<u>\$7,294</u>	<u>15%</u>	<u>\$48,629</u>	<u>\$7,294</u>	<u>15%</u>



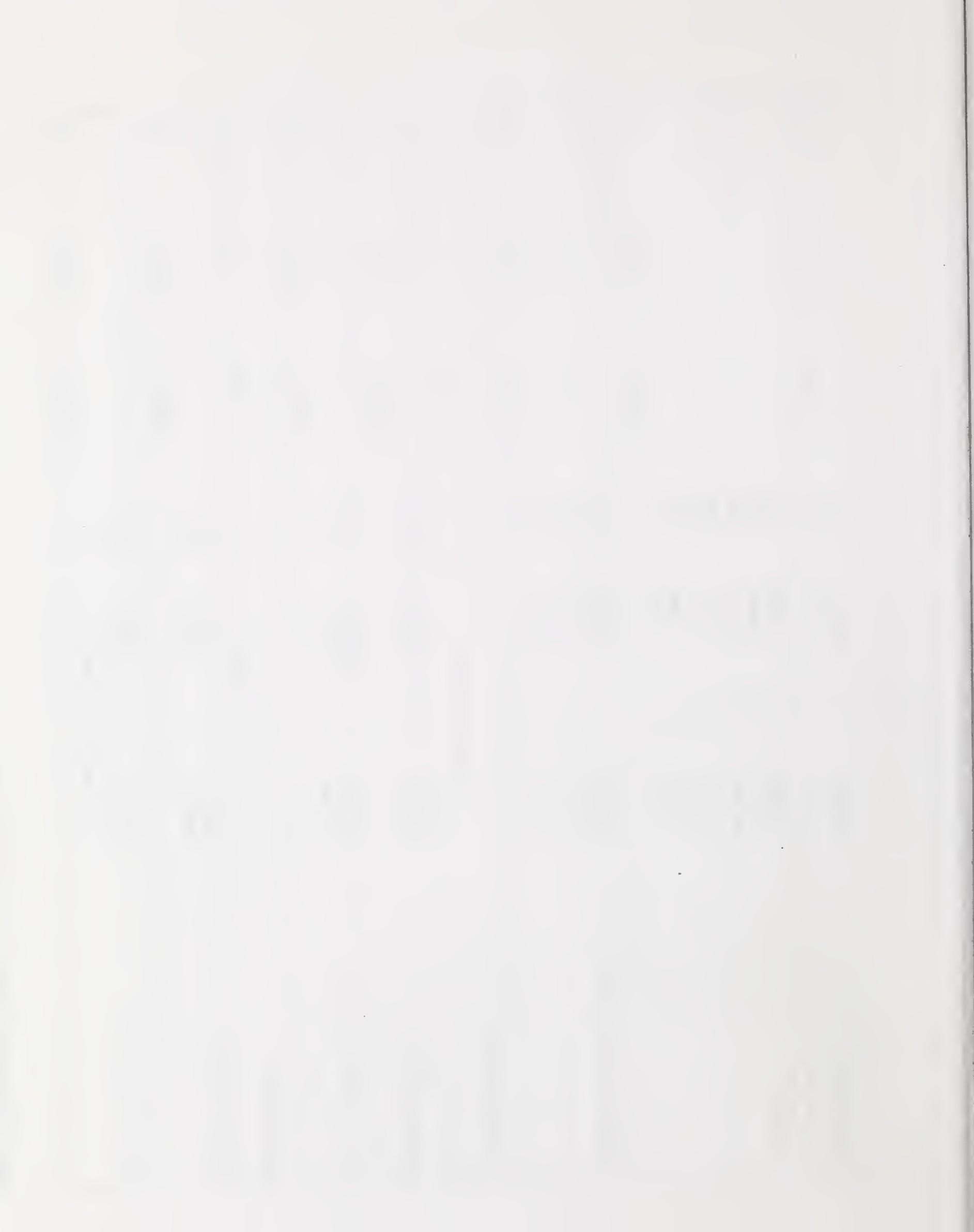
<b>American Trade &amp; Convention</b>	\$2,448,187 \$1,673,132 \$910,435 \$482,606 \$52,865	b b b,c b b	\$213,750 \$167,313 \$150,000 \$100,000 \$10,000	9% 10% 16% 21% 19%
<b>AmeriCom Group</b>	\$1,084,501 \$755,592 \$11,786	b,c b,c b,c	\$158,801 \$188,602 \$1,709	15% 25% 15%
<b>Annual Publication</b>	\$140,268	c	\$31,859	23%
<b>Aria Communications</b>	\$34,121		\$13,878	41%
<b>Assistance Programs</b>	\$293,359	a	\$32,300	11%
<b>Baystate Assistance Programs</b>	\$976,912 \$418,987	c c	\$117,229 \$50,290	12% 12%
<b>Benefit Programs of New England</b>	\$1,468,334	a	\$198,613	14%
<b>Brent-Wyatt East</b>	\$75,944 \$34,655 \$29,840	a a a	\$22,783 \$11,436 \$8,952	30% 33% 30%
<b>CLEC Canvas Network</b>	\$261,284 \$37,832	c c	\$166,364 \$18,532	64% 49%
<b>Celebrity Marketing</b>	\$56,129 \$27,605 \$8,635	a a a	\$16,839 \$5,678 \$1,727	30% 21% 20%

a=sale of product, b=national/multi/state campaign, c=interim report



<b>Chicopee Graphics</b>	\$32,040	a	\$12,790	40%	\$32,040	\$12,790	40%
<b>Walter Childs</b>	\$50,386	a	\$9,000	18%			
	\$18,705	a	\$4,614	25%			
	\$13,405	a	\$4,021	30%			
	\$11,280	a	\$3,384	30%			
	\$5,085	a	\$1,271	25%			
	\$3,936	a	\$984	25%			
	\$3,870	a	\$967	25%			
			\$106,667		\$24,241		
<b>Civic Development Group of MA</b>	\$999,940		\$150,038	15%			
	\$681,835		\$84,881	12%			
	\$362,725	c	\$102,356	28%			
	\$98,132		\$13,210	15%			
			\$2,132,632		\$350,485		16%
<b>Community Consultants</b>		2 campaigns not reported			\$0		
<b>Community Safety, LLC</b>	\$520,009	a	\$78,001	15%	\$520,009	\$78,001	15%
<b>DMC Universal/IDC</b>	\$2,866,571	c	\$2,579,227	90%			
	\$124,185	c	\$100,174	81%			
			\$2,990,756		\$2,679,401		90%
<b>Development Center</b>		1 campaign not reported			\$0		
<b>DiaAmerica Marketing</b>	\$298,248		\$166,853	56%			
	\$106,842		\$53,421	50%			
			\$405,090		\$220,274		54%
<b>Stephen Dunn &amp; Associates</b>	\$111,619		\$65,657	59%			
	\$90,563		\$26,581	29%			
		1 campaign not reported					
			\$202,182		\$92,238		46%

a=sale of product, b=national/multistate campaign, c=interim report



<b>Eastern Advertising</b>	\$371,844	a	\$148,738	40%
	\$270,624	a	\$105,249	39%
	\$9,596	a	\$1,919	20%
			\$652,064	\$255,906

39%

<b>EverReady Enterprises</b>	5 campaigns not reported	\$0	\$0	\$0
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<b>Factor Direct LTD</b>	\$1,371,516	b	\$240,098	18%
	\$958,496	b	\$316,012	33%
	\$925,204	b	\$525,180	57%
	\$572,450	b	\$290,276	51%
	\$444,109	b	\$78,861	18%
	\$302,258	b	\$64,267	21%
	\$247,660	b	\$101,876	41%
	\$198,807	b	\$16,630	8%
	\$177,216	b	\$109,790	62%
	\$166,997	b	\$49,573	30%
	\$81,096	b	\$10,593	13%
	\$34,794	b	\$18,213	52%
	\$22,402	b,c	(\$15,756)	-70%
	\$17,327	b,c	(\$1,584)	-9%
	\$12,427	b,c	(\$3,601)	-29%
	\$11,420	b,c	(\$425)	-4%
	\$11,350	b,c	(\$4,973)	-44%
	\$9,937	b,c	(\$6,592)	-66%
	\$1,045	b,c	(\$2,571)	-246%
			\$5,566,511	\$1,785,867

32%

<b>Family Shopper Gift Book</b>	\$42,496	a	\$3,600	8%
			\$42,496	\$3,600

8%

<b>Martin Fishman Enterprises</b>	\$205,164	a	\$61,549	30%
	\$63,040	a	\$18,912	30%
	\$12,980		\$4,543	35%

30%

a=sale of product, b=national/multistate campaign, c=interim report



<b>Fundraising Communication Services</b>	\$14,832 \$11,507	\$8,382 \$3,783	57% 33%	\$26,339	\$12,165	46%
<b>Galaxy Marketing</b>	\$122,271 \$109,583 \$72,126 \$45,793	\$12,227 c \$21,916 \$12,651 \$6,868	10%  20% 18% 15%	\$349,773	\$53,662	15%
<b>Genesis Services Co.</b>	\$78,425 \$48,265 \$33,870 \$26,726 \$8,755	a a a \$10,722 \$9,548 \$3,464	\$23,318 \$19,308 \$10,722 \$9,548 \$3,464	30% 40% 32% 36% 40%	\$66,360	34%
<b>Gordon &amp; Schwenkmeyer</b>	\$182,910	\$90,927	50%	\$182,910	\$90,927	50%
<b>Great Lakes Communications</b>	2 campaigns not reported		\$0			
<b>Harris O'Malley Marketing</b>	\$1,830,055 \$19,958 \$4,157	\$738,220 \$3,803 (\$94)	40% 19% -2%	\$1,854,170	\$741,929	40%
<b>Alian C. Hill Productions</b>	\$45,971 \$43,167	\$6,436 \$5,180	14% 12%	\$89,138	\$11,616	13%

a=sale of product, b=national/multi/state campaign, c=Interim report



<b>InfoCision Management</b>	\$36,170	\$16,857	47%
	\$35,013	\$22,560	64%
\$33,187	\$6,374	19%	
\$30,670	\$13,100	43%	
\$15,284	\$6,395	42%	
\$5,150	\$54	1%	
\$3,740	\$578	15%	
\$3,168	\$328	10%	
\$2,911	\$1,572	54%	
\$1,799	\$83	5%	
\$1,455	\$1,305	90%	
	\$168,547	\$69,206	41%
 <b>Integral Resources</b>	 \$1,544,531	 \$690,000	 45%
\$729,839	c	\$37,967	5%
\$620,497		\$203,487	33%
\$430,456	c	\$30,000	7%
\$210,780		\$107,500	51%
\$191,785	c	\$34,774	18%
		\$3,727,888	\$1,103,728 30%
 <b>Jenalyn</b>	 \$56,129	 \$14,638	 26%
		\$56,129	\$14,638 26%
 <b>LPC Corp.</b>	 \$198,619	 a,c	 \$43,696
	\$123,363	a,c	\$30,840
			22% 25%
			\$321,982
			\$74,536
			23%
 <b>LTD Direct</b>	 1 campaign not reported		
 <b>R.G. Lapenta Associates</b>	 \$54,005	 a	 \$16,201
	\$26,925	a	\$5,385
			30% 20%
			\$80,930
			\$21,586
			27%

a=sale of product, b=national/multi-state campaign, c=Interim report



<b>Lester Telemarketing</b>	\$44,788	\$30,638	68%
	\$29,920	\$27,049	90%
	\$17,721	\$8,365	47%
	\$16,818	\$6,341	38%
	\$15,961	\$11,007	69%
	\$3,836	\$1,936	50%
		\$129,044	\$85,336
			66%

<b>MDS Communications</b>	\$1,926,385	b	\$390,952	20%
	\$679,334	b	\$190,362	28%
	\$108,689	b	\$16,534	15%
	\$104,854	b	\$40,163	38%
	\$68,313	b	(\$13,357)	-20%
	\$4,637	b	\$0	0%
			\$2,892,212	\$624,654
				22%

<b>Marketing Corporation of America</b>	\$6,652,210	b	\$2,518,293	38%
	\$1,943,542	b	\$491,321	25%
			\$8,595,752	\$3,009,614
				35%

<b>Meyers Associates</b>	\$2,262		\$1,751	77%
			\$2,262	\$1,751
				77%

<b>New Boston Communications</b>	\$2,141,039	b	\$1,492,732	70%
	\$1,076,566	b	\$731,806	68%
	\$573,479	b	\$284,768	50%
	\$485,994	b	\$355,330	73%
	\$433,135	b	\$375,104	87%
	\$199,055	b	\$111,953	56%
	\$97,854	b	\$48,358	49%
			4 campaigns not reported	
				\$5,007,122
				\$3,400,051
				68%

<b>Non-Profit Telemedia</b>	\$14,835	c	\$120	1%
	\$13,951	c	\$2,607	19%
	\$4,739	c	\$630	13%
			\$33,525	\$3,357
				10%

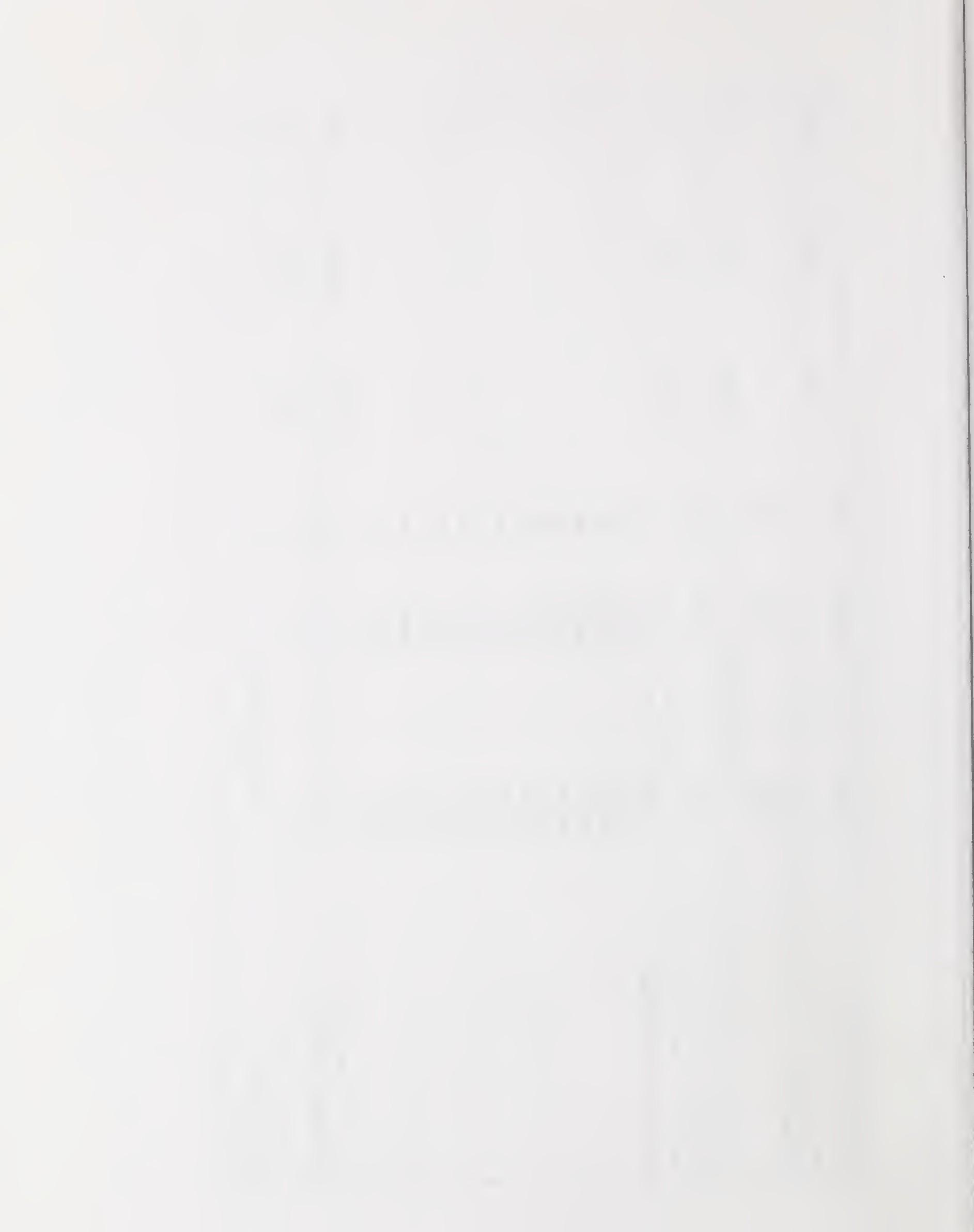
<b>Northeast Celebrity Sports</b>	5 campaigns not reported	\$0

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<b>Northern Rocky Teleservices</b>	\$8,915		(\$4,334)	-49%	\$8,915		(\$4,334)	-49%
<b>Outreach Center</b>	\$50,020	c	\$22,564	45%				
	\$3,625		\$543	15%				
	2 campaigns not reported				\$53,645		\$23,107	43%
<b>PC Marketing</b>	\$31,196	a	\$4,675	15%				
					\$31,196		\$4,675	15%
<b>Public Interest Communications</b>	\$1,877,015	b	\$95,651	5%				
	\$1,595,486	b	\$1,423,759	89%				
	\$793,563	b	\$127,830	16%				
	\$591,822	b	\$196,070	33%				
	\$569,284	b	\$282,900	50%				
	\$559,682	b	\$177,955	32%				
	\$333,690	b	\$98,573	30%				
	\$293,188	b	\$30,434	10%				
	\$250,153	b	\$35,436	14%				
	\$97,406	b	\$66,572	68%				
	\$97,161	b	\$33,417	34%				
	\$54,798	b	\$10,938	20%				
	\$39,766	b	\$5,596	14%				
	\$37,792	b	\$11,678	31%				
	\$34,653	b	\$5,551	16%				
					\$7,225,459		\$2,602,360	36%
<b>Michael Quinn Productions</b>	\$72,000	a	\$25,200	35%				
					\$72,000		\$25,200	35%
<b>Ranick Enterprises</b>	3 campaigns not reported							

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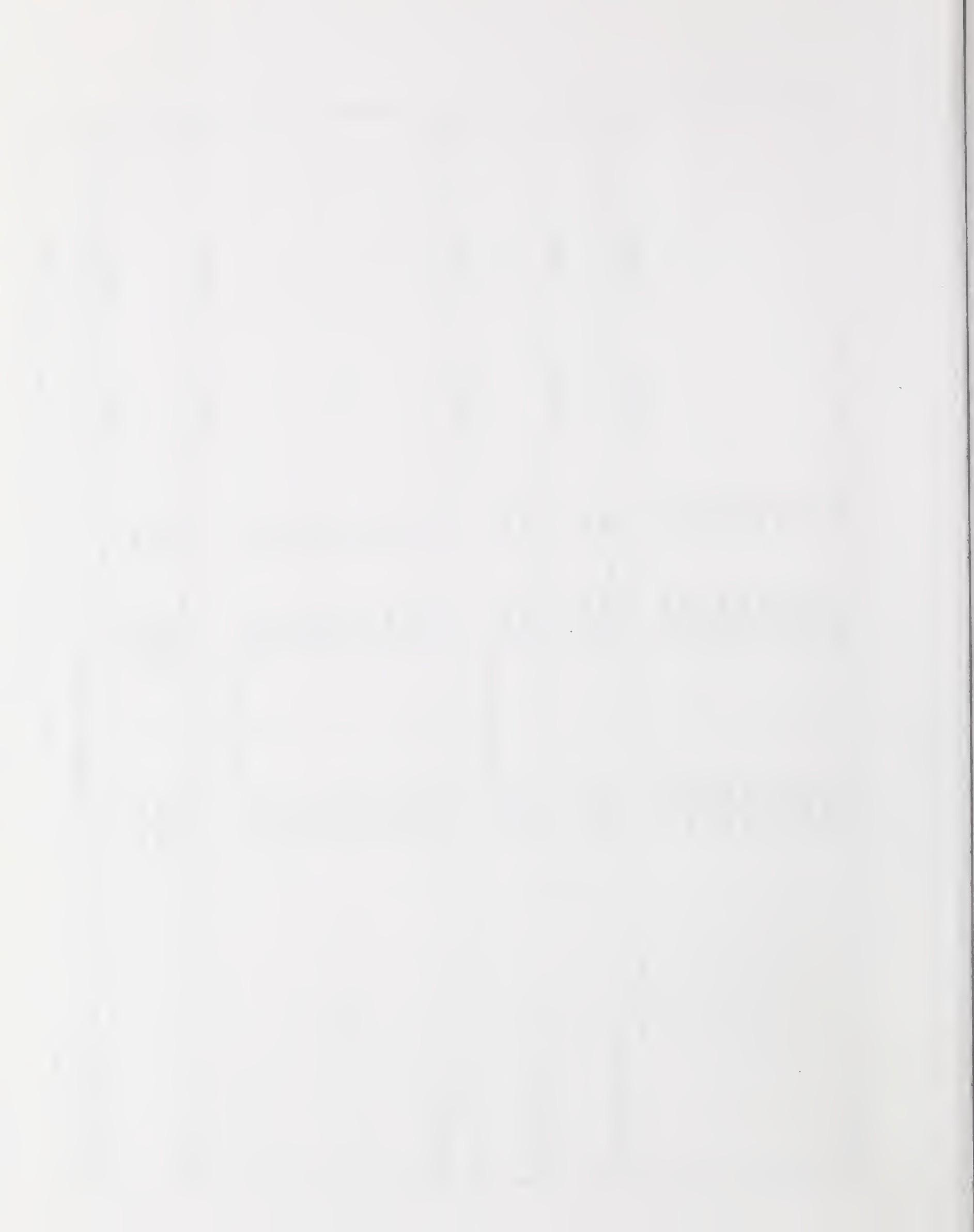
<b>Reese Brothers</b>	\$506,960	\$324,532	64%
	\$176,017	\$18,763	11%
	\$129,228	c	41%
	\$126,687	c	6%
	\$98,307	c	17%
	\$69,667	c	28%
	\$35,959	c	20%
	\$33,056	c	29%
	\$31,290	c	17%
	\$22,272	c	32%
	\$780	\$65	8%
		\$1,230,223	\$469,777
			38%
<b>Regency Communications</b>	\$1,596,862	\$308,505	19%
	\$28,913	\$8,899	31%
	\$9,456	(\$8,809)	-93%
	\$210	(\$250)	-119%
		\$1,635,441	\$308,345
			19%
<b>Response Dynamics</b>	\$1,855,557	\$1,259,786	68%
	\$722,143	\$219,887	30%
		\$2,577,700	\$1,479,673
			57%
<b>Ruffalo, Cody &amp; Associates</b>	1 campaign not reported	\$0	\$0
<b>Salesmax</b>	\$20,915	\$5,660	27%
	\$7,256	\$1,814	25%
		\$28,171	\$7,474
			27%
<b>Shamrock Publishing</b>	\$476,254	b	\$117,211
	\$353,943	b	\$60,959
			25%
			17%
		\$830,197	\$178,170
			21%

a=sale of product, b=national/multistate campaign, c=Interim report



<b>Share Group</b>	\$494,330 \$332,713 \$246,087 \$153,655 \$137,178 c \$74,941 \$68,747 \$58,951 c \$12,889 \$11,056	\$311,391 \$144,114 \$166,833 \$50,650 \$41,281 \$5,078 \$35,486 (\$23,482) \$1,240 \$2,951	63% 43% 68% 33% 30% 7% 52% -40% 10% 27%	\$1,590,547 \$735,542	46%
<b>Silver &amp; Blue Promotions</b>	\$77,657 \$37,248	a a	\$31,062 \$11,919	40% 32%	\$42,981 37%
<b>Smith Company</b>	\$41,791 \$33,096		\$24,581 \$20,519	59% 62%	\$114,905 \$45,100
		3 campaigns not reported		\$74,887	60%
<b>TCI America</b>	\$69,415 \$46,209 \$43,145 \$38,091 \$34,568 \$32,469 \$22,158 \$20,238 \$16,054 \$89,624	a a a a a a a a a a	\$17,354 \$13,863 \$12,944 \$11,427 \$9,333 \$9,741 \$6,869 \$7,690 \$3,211 \$26,887	25% 30% 30% 30% 27% 30% 31% 38% 20% 30%	\$411,971 \$119,319
		11 campaigns not reported			29%
<b>Telefund</b>	\$406,736 \$263,147 \$40,196	b b b	\$155,445 \$106,242 \$15,743	38% 40% 39%	\$710,079 \$277,430 39%
<b>Telesystems Marketing</b>		1 campaign not reported		\$0	\$0

a=sale of product, b=national/multistate campaign, c=Interim report



<b>TransAmerica Marketing Services</b>	\$233,568	b	\$63,220	27%
	\$210,827	b	(\$21,761)	-10%
\$156,194	b	\$96,749		62%
\$149,168		\$32,132		22%
\$112,190	b	\$66,727		59%
\$63,464	b	\$0	0%	
\$33,856		(\$1,918)	-6%	
\$30,402	b	\$3,566	12%	
\$24,212	b	\$14,760	61%	
\$0		\$0	0%	
\$265,100		\$159,707	60%	
<b>3 campaigns not reported</b>				
			\$1,278,981	
				<b>\$413,182</b>
				<b>32%</b>

<b>Twentieth Century Promotions</b>	\$25,493		\$3,978	16%
	\$25,394		\$4,500	18%
\$14,445		\$1,000		7%
\$9,866		\$1,000	10%	
\$8,468		\$1,000	12%	
		\$83,666		<b>\$11,478</b>
				<b>14%</b>

<b>US Charitable Publications</b>				

**TOTALS:**

<b>\$67,814,353</b>			

**\$67,814,353**

**\$23,950,087**

**35%**





